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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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COUNTRY	Hungary	REPORT	<input type="text"/>	25X1
SUBJECT	Precision Tool Factory in Budapest	DATE DISTR.	23 December 1953	
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This is UNEVALUATED Information

THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.
THE APPRAISAL OF CONTENT IS TENTATIVE.
(FOR KEY SEE REVERSE)

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1. Location

- a. The Precision Tool Factory (Precizios Kéziszerszámgyár) is located at Kápolna utca 27-29 Budapest X. The factory was formerly called Salgó Imre Tool and Machine Factory.
- b. The factory has no railway connection. The nearest station is Budapest-Kőbánya also pályaudvar (Budapest-Kőbánya Lower Station).

2. Production

- a. The following are the main products of the factory:

- a. Pincers
- b. Pliers
- c. Combination pliers
- d. pipe wrenches
- e. Monkey wrenches
- f. Lightening pipe wrenches
- g. "Excursius" pliers (excerziós fogó)
- h. Cramp-pliers (sikkatyu fogó)
- i. Hammers

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25 YEAR RE-REVIEW

STATE	<input checked="" type="checkbox"/>	ARMY	<input checked="" type="checkbox"/>	NAVY	<input checked="" type="checkbox"/>	AIR	<input checked="" type="checkbox"/>	FBI	<input checked="" type="checkbox"/>	AEC						
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- j. Kitchen hatchets
- k. Fire-brigade hatchets
- l. Coal borers for mines
- m. Textile tins (textil persely)
- n. Leipzig closing clasps (lipcsei zárkapocs)
- o. "Clamping frogs" (feszítő béka)
- p. Chain-pipe pliers
- q. Plate-shears

The tool workshop produces the following:

- r. Boring apparatus
 - s. Sliding gauges
 - t. Measuring moulds
 - u. Regulators for grinding machines
 - v. Geometrical measuring apparatus (mérő idomszerek)
- b. The factory cannot fulfil more than 90% of its production plan even when the work is at a forced rate. The reason for this is not only that the workers are overworked, but also the irregular deliveries and bad quality of the raw materials. The percentage of rejects is very high, ranging from 20 to 25%, sometimes 30%.

3. Raw Materials

The delay in supplying the raw materials and their bad quality considerably hinder production. Some of the raw materials, in particular large pieces, are stored in the factory courtyard on arrival in any weather; some are stored in the cellar of the tool workshop.

4. Deliveries

- a. The finished products are delivered to the following customers:
 - a. Pincers, combination pliers, cramp pliers and chain-pipe pliers are delivered to the Hungarian Peoples' Army.
 - b. Pliers, nippers, and combination pliers are delivered to North Korea, China
 - c. Coal borers are delivered to the Hungarian mines in Dorog, Tatabánya and Szuhakaló.
 - d. Fire-brigade hatchets to the Hungarian fire-brigade units.

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- e. Hammers and kitchen hatchets to Vasért Iron Trading National Company)
- f. Textile tins, Leipzig closing clasps, and "clamping frogs" to Kistex (Kispest Textile Factory) and Budai Pamutipar (Buda Cotton Industry, formerly Goldberger).
- b. All other products are delivered to various home customers, including several large industrial works, the police, and AVH.

5. Description of the Factory Installations

- a. In 1944 the factory was badly damaged by bombs. Repair work was only started in June 1952. A new single-story building (No. 9) was being built in the factory courtyard. It was to house the "Kelter" department. It was to be completed in August 1953.
- b. The factory area is about 130 m. from east to west and about 110 m. from north to south. The entrance is at the northern side in Kápolna utca (No. 10 on the sketch).
- c. The following buildings can be described:
 - 1.) Single-story building in Kápolna utca (No. 1), about 40 x 15 m. in size; turning and welding department, store rooms, and dining room with changing rooms for men in the cellar.
 - 2.) Administration building (No. 2), about 25 x 10 m. in size.
 - 3.) Single-story building in Thász utca (No. 3), about 50 x 12 m. in size; smithy, tool locksmith departments I and II, with changing rooms for women in the cellar.
 - 4.) Large building at the southwestern side (No. 4), three-story, about 70 x 15 m. in size; engine fitter's workshop on the first floor, smithy and hardening workshop on the second floor, and the so-called "Ciprus" boring department on the third floor.
 - 5.) Single-story corner building (No. 5), about 25 x 12 m. in size, with store rooms (No. 5b) and the Meo-department for checking the products (No. 5a).
 - 6.) Two-story building in Bolgár utca (No. 6), about 40 x 12 m. in size; raw material and tool depots in the cellar, offices and telephone exchange on the ground floor, locksmith on the first floor.
 - 7.) Small building in Kápolna utca (No. 7), single-story, about 12 x 7 in size, containing the packing department.
 - 8.) Caretaker's house next to the entrance (No. 8), about 5 x 5 m. in size.

6. Machines

- a. Since the end of the war the number of machines has hardly changed. The machines in the factory are of German and Hungarian origin, produced before the war.
- b. The only new machines are 2 fast cutting machines and 2 lathes from Soviet machine-tool factories.

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7. Transport

- a. The factory has its own 5-ton truck, type Csepel, which transports the finished products to the station or to the customers in Budapest.
- b. Raw materials arrive in trucks belonging to the factories supplying the goods or in trucks of Tefu (State Transport Concern).

8. Loading Personnel

The following persons are known:

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- a. Director General: György Jónás
- b. Party Secretary: János Damjanovich
- c. Chairman of the workers' factory council: Mrs. Hubert (fnu)
- d. Head of the local branch of the trade union: János Kiss
- e. Deputy Director General: János Gyarmati
- f. Head of the technical department: Engineer József Garbai
- g. Head of the personnel department: Mrs. Bárdos (fnu)
- h. Head of the production department: Medárd Kollár
- i. Most dangerous informer in the factory is Lajos Szuppán

9. Workers

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- a. 314 people are employed in the factory, of whom 60% are women. 30 of the 314 people are employed in the offices.
- b. 50% of the workers are young people who are being retrained (átképzősök), the other 50% are apprentices, older trained workers, experts, and factory officials. As these figures show, there is a great shortage of experts in the factory, resulting in the large percentage of goods produced which are rejected. Only about 50 people out of the entire personnel surpass the prescribed norms, about 100 fulfil their norms, and the rest reach 45-65%, sometimes 90%.
- c. Work is carried out in 3 shifts. No work is done on Sundays and holidays, except on the first Sunday of the month. On this day the workers work "voluntarily". The reason for this is that most of the time the raw materials only arrive after the 20th, and in order to fulfil the production plan for the current month work has then to be hurriedly carried out.

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- d. The monthly salary of an auxiliary worker is about 450 forints, and that of a foreman 1,500 forints. The leading personnel earn between 2,000 and 3,000 forints.

10. Supply of Electricity

- a. The factory is supplied with electricity from the municipal networks. It does not have a power station of its own.
- b. There is a gas generator in the hardening workshop.

11. Guards and Security

- a. During the day there is a caretaker at the entrance to the factory who checks the identity cards (with photographs) of the people entering the area. People are not searched. During the night there is a night watchman at the entrance and two unarmed night watchmen on the factory grounds.
- b. The nearest police station is in Hász utca 23/25 (No. 11), which is the chief station of the Xth district. The factory has its own fire brigade of 10-12 men, who are equipped with four motor hoses, ladders, and a vehicle for the tools.

1. Comments: Meo is an abbreviation for Minőségellenőrző Országos Központ-State central office for checking the quality of the products. 25X1

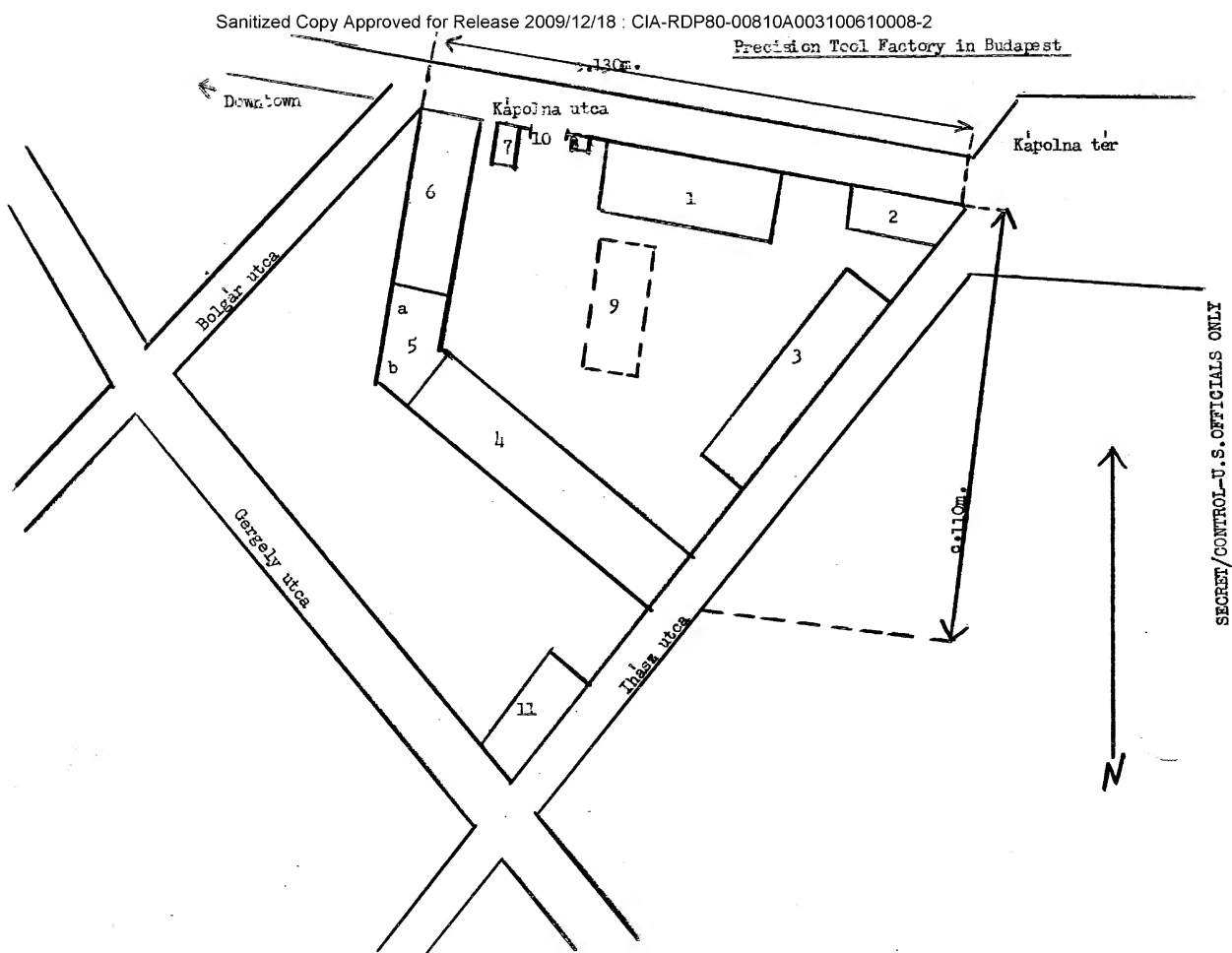
Key to the enclosed sketch of the Precision Tool Factory in Budapest:

1. Turner's workshop, welding workshop, etc.
2. Directorate
3. Tool locksmith department, etc.
4. Engine fitter's workshop, etc.
- 5a. Meo department
- 5b. Store
6. Depots, offices, locksmith, etc.
7. Packing department
8. Caretaker's house
9. New building
10. Entrance
11. Police station

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